



## Medicaid Overview

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# Overview of Medicaid

- Created in 1965 through an amendment to the Social Security Act
- Joint program between state and federal government
- Major payer in the U.S. health care system
- 56 entities have Medicaid programs – 50 states, Washington, D.C. and 5 territories
- Tailored by each state to meet the needs of the vulnerable populations of the state
- Growing

# Medicaid Coverage and Cost

- Provides coverage for a broad range of health care services
- Serves children, pregnant women, the frail elderly, physically disabled individuals and individuals with intellectual or developmental disabilities
- Nationally, Medicaid state and federal expenditures in FY 2014 were over \$495 billion
- Average state share of costs is approximately 40%

# What's the difference?

- **Medicare** – national health insurance for people  $\geq 65$  and some people who have disabilities
- **Medicaid** – Health care program for people with very low incomes who also meet some other eligibility criteria:
  - Age (child or senior)
  - Condition (pregnancy)
  - Disability

# Medicaid

- State-run program jointly financed by federal and state governments
  - Federal money in the form of the matching of state money
- Certain people can be covered by both Medicare and Medicaid
  - These people are called “dual eligibles”

# FMAP

- Federal Medical Assistance Percentage (FMAP)
  - Match range is 50%-83%
  - Enhanced funding for Children's Health Insurance Program
- For the current federal fiscal year:
  - FMAP: 56.21%
  - Enhanced FMAP: 69.35%
    - plus ACA 23 point increase: 92.35%

# What Flexibility Do States Have?

- Optional eligibility requirements
- Optional benefits
- Service delivery mechanisms:
  - Capitated managed care
  - Fee for service (FFS)
  - Primary Care Case Management (PCCM)

# What Is Covered By Medicaid?

- Mandatory Services
  - Inpatient Hospital
  - Outpatient Hospital
  - Rural Health Clinic Services
  - Federally Qualified Health Center (FQHC) Services
  - Lab and X-Ray Services
  - Transportation to medical care
  - Home Health
  - Early Periodic Screening Diagnosis & Treatment “Kan Be Healthy”
  - Physician Services
  - Dental Services (for children)
  - Tobacco cessation counseling for pregnant women
  - Nursing Facilities
  - Family Planning
  - Pregnancy Care
  - Some Other Practitioner Services



# What Is Covered By Medicaid?

- Optional Services

- Prescribed Drugs
- Clinic Services
- Physical Therapy
- Occupational Therapy
- Speech, Hearing and Language
- Prosthetic Device
- Eye Care Services
- Eyeglasses
- Rehabilitation Services
- Home & Community-Based Services (HCBS)
- Respiratory Care Services
- Other diagnostic/screening services
- Mental Health Services
- Hospice
- Targeted Case Management
- Podiatry
- Chiropractic Services
- Intermediate Care for Individuals with Intellectual Disability

# Medicaid State Plan

- Specifies the eligibility groups served (elderly & disabled, pregnant women, and children), the benefits provided, and the day to day operations of the program.
- Provides the basis for a state's claim for Federal Financial Participation (FFP)
- The state plan and all subsequent amendments must be reviewed and approved by the federal government

# KDHE's Role in Kansas Medicaid

- Single State Medicaid Agency (SSMA)
- Primary contact with Centers for Medicare and Medicaid Services (CMS) at the federal level
- KDHE contracts with three managed care organizations (MCOs)

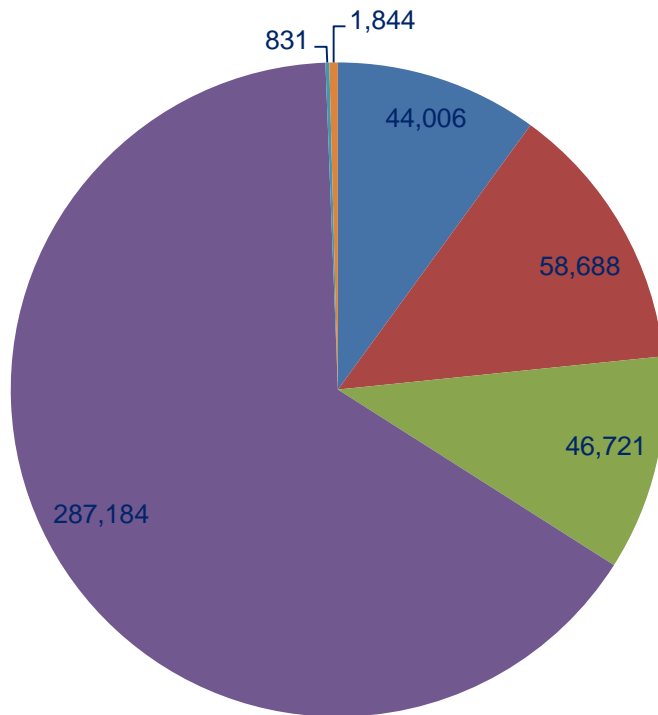
# What is KanCare?

- Medicaid + Children's Health Insurance Program (CHIP) = KanCare
  - CHIP (Title 21 of Social Security Act) covers children in families with incomes too high to qualify for Medicaid)
  - Covers children up to age 19
  - Benefits almost identical to Medicaid

# Who Uses Medicaid in Kansas?

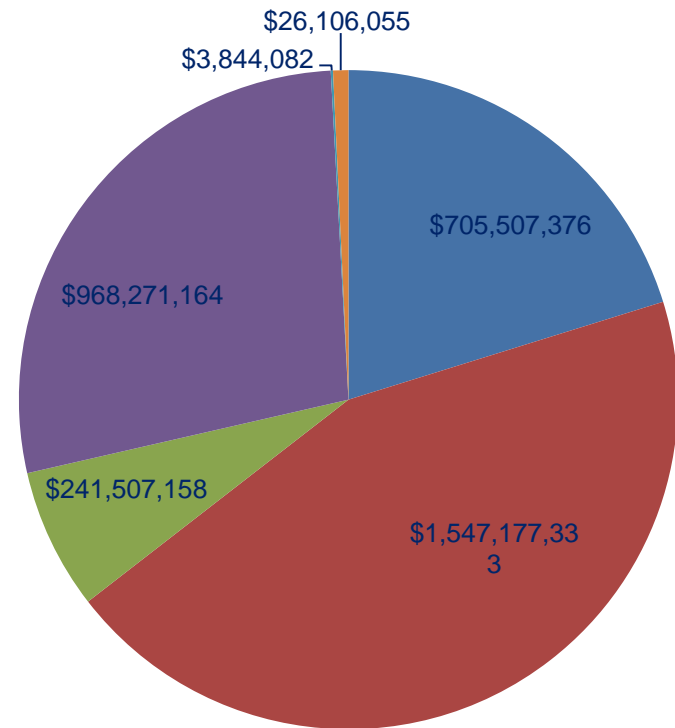
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## Eligibility Composition



- Elderly
- Parents/Caretakers
- MediKan
- Individuals with Disabilities
- Children
- Other

## Expenditure Composition



- Elderly
- Parents/Caretakers
- MediKan
- Individuals with Disabilities
- Children
- Other